GOVERNMENT OF INDIA
AGRO AND RURAL INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:6278
ANSWERED ON:08.05.2002
PRODUCTION AND DEMAND OF KHADI
SHANKERSINH VAGHELA

Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a) the production capacity and demand of Khadi in the country;

(b) the steps being taken by the Government to promote its export;

(c) whether any subsidies are provided to the Khadi producers; and

(d) if so, the details thereof?

Answer

THE MINISTER OF AGRO AND RURAL INDUSTRIES (SHRI KARIYA MUNDA)

(a): The production capacity and demand of Khadi Industry as on 31.03.2001 is as under :

	Estimated Production capacity	Actual Reported
Cloth-Qty (Million Sq. Mtrs.)	74.10	75.39
Value (Rs. in cores)	459.38	465.17

The demand of Khadi has been estimated to be Rs. 570.55 crores in the year 2000-2001.

(b): For the development and promotion of Khadi and Village Industries in the country, including promotion of export of KVI products, the Government of India announced a package for the Khadi and Village Industries sector on 14.05.2001. The main features of this package consist of a Rebate Policy for five years, option of Rebate and Market Development Assistance (MDA), Insurance cover to Khadi artisans, emphasis on improvement of Khadi products, creation of packaging and design facilities, measures to promote marketing, brand building, cluster development etc.

(c): No plan is under consideration to provide subsidies to Khadi producers.

(d): Does not arise.